



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

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October 11, 1983

Mr. Harold Roberts
Senior Project Engineer
Energy Fuels Nuclear, Inc.
Three Park Central, Suite 900
1515 Arapaho
Denver, Colorado 80202

RE: Inspection and Resuspension
Hillside Complex
ACT/037/015
San Juan County, Utah

Dear Mr. Roberts:

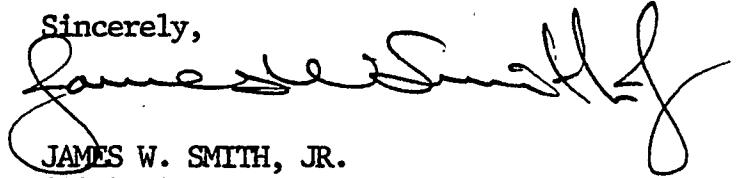
On September 29, 1983, the Division staff inspected the interim reclamation work to have been performed at the Hillside Mine Complex. Staff members D. Wayne Hedberg, Susan Linner and Tom Tetting visited the sites shortly after a heavy rainfall and noted that some of the work performed still had not achieved the desired results. Some areas near the Gizmo and Hillside portals are still ponding behind the waste rock berms. Also, large amounts of scrap and trash are exposed in the eroded drainage at the Gizmo. Additional work should be performed in the following areas:

1. Shovel work could eliminate the ponding around the two portal areas by creating adequate discharge locations. These should be riprapped to alleviate piping under the berms as well as further stabilize the piles of waste rock.
2. Additional waterbars should be added to the downslope access road at the Hillside. Again, hand labor could probably achieve adequate results.
3. Exposed trash at the Gizmo should be collected before it is washed down the drainage off-site. It should be removed and disposed of in an acceptable landfill site.

Mr. Harold Roberts
ACT/C37/015
October 11, 1983
Page 2

In reply to your letter of August 24, 1983, the map is adequate and your comments regarding the ownership problem are recognized. Obviously, the surety currently held by the Division is regarded as Energy Fuels Nuclear (EFN) having "some additional claim" on the Hillside Mine Complex. The Division hopes the ownership question will be resolved; entailing the substitution of another surety arrangement for EFN's interest. Regardless of this aspect, the date in the Division's August 17, 1983 letter still stands as an effective date for the renewed two year suspension. Please notify me or Tom Tetting when the final on-site work has been performed. Thank you for your cooperation.

Sincerely,



JAMES W. SMITH, JR.
COORDINATOR OF MINED
LAND DEVELOPMENT

JWS/btb

cc: T. Tetting, DOGM
D. Wayne Hedberg, DOGM
S. Linner, DOGM